



# SPL Report to the Board

MEETING DATE: SEPTEMBER 9, 2025  
FROM: KRISTA ROBINSON, CEO | LIBRARY DIRECTOR  
SUBJECT: DRAFT 2026 OPERATING AND CAPITAL BUDGET

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## Recommendation

**THAT** the Library Board receive this report as information

**AND THAT** the Library Board approve the 2026 proposed Operating and the Capital Program estimates for submission to the City of Stratford.

## Background

The Board not only provides strategic direction but also ensures that budgetary decisions reflects our commitment to fiscal responsibility. The CEO is tasked with presenting operating and capital budgets that are not only aligned with the Board's priorities but also exemplify judicious financial planning.

Staff have been directed to prepare budgets on a 'status quo' basis, and only include revenues and expenses for services that have been previously authorized. While no specific percentage range has been provided, it has been requested the departments prepare budgets on a 'zero-base', that is, on a basis to include only currently approved services. Direction has been received to adjust for inflation as appropriate.

The municipality is experiencing its first budget under Strong Mayors powers. Staff are directed to prepare their budgets as normal, however anything not within the Mayor's purview may be removed or will appear as an expansion project.

The Library Board reviewed the draft 2026 budget at a Budget Education session and since then, staff worked with the Library Finance Committee to refine the budget. Budget submissions were due to the Finance Department by August 1 and the Library's individual departmental budget review took place on September 4.

## SPL Draft 2026 Operating Budget

Staff have prepared a draft operating budget that represents an increase of 5.48% increase compared to the 2025 approved budget. This recommendation includes funding to maintain current service levels.

	Inflation / Change	Library Budget	Increase over 2025 Approved
Approved 2025 Operating Budget		\$3,093,129	
<b>2026 Library Base Budget</b>	<b>\$169,531</b>	<b>\$3,262,660</b>	<b>5.48%</b>

Budgetary changes include:

Revenues:

- Adjusted to reflect changes to the PCIN budget, user fees, and grants
- The budget includes the Perth South service agreement revenue
- A small increase to revenue through donations as the library strives to increase its revenue generation

#### Staffing:

- Where no collective agreements exist, departments have been instructed to use a placeholder of 2% for a Cost of Living Adjustment.
- The newly proposed Salary Grid which includes the Market Rate work conducted in 2025 has been used as the basis for staff wages. This has a onetime increase of \$183,660 (including benefits).
- Step 2 and Step 4 have been adjusted for Pay Equity purposes.
- No new positions have been proposed for 2026, though some existing positions have been adjusted for operational efficiency.

#### General:

- Provided a 2.5% inflationary increase for the majority of collections, based on market analysis.
- Adjusted operational lines (heat, snow removal, printing, mileage, postage etc.) to reflect actual spending patterns in in 2024/2025
- Provided inflationary increase to programming expenses and equipment purchases.
- Interfunctional Maintenance has been decreased as expenses are anticipated to be less due to the addition of a municipal plumber and electrician.
- Transfers to capital reserves have increased to support future capital requirements outlined in the 10-year forecast, including anticipated expanded building needs.

### SPL Draft 2026 Capital Program

The most consistent capital budget request is for library collections, which are essential for meeting user needs. The cost of materials has been rising faster than the cost of living. Ongoing funding for technology upgrades and computers is also included on an annual basis.

	2025	2026	2027	2028
Physical Library Collection	\$169,744	\$173,140	\$176,600	\$180,130
Technology and Computer Upgrades	\$31,000	\$31,000	\$42,000	\$60,000
PLOW Van Replacement				\$85,000
<b>Total</b>	<b>\$200,744</b>	<b>\$204,140</b>	<b>\$218,600</b>	<b>\$325,130</b>

Included in the 2026 budget is a transfer of \$375,000 to reserves to cover the 2026 expenses noted above, but also to help plan for additional expenses in the 10-year forecast such as PLOW van replacement and a new library facility.

### Next Steps

Pending Board approval, the City Finance Department will be notified and they will move forward including the Library Board's budget estimates in the City Draft 2026 Budget. The anticipated budget schedule is as follows:

- Finance & Labour Relations Committee Discussions: November 27, December 1, 2
- Target for formal budget approval: January 12